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2005 SEP 21 AM 11 35

September 21, 2005

Mr. John F. Carter  
Regional Director  
Federal Deposit Insurance Corporation  
25 Jessie Street at Ecker Square, Suite 2300  
San Francisco, CA 95105

RE: Comments Regarding FDIC Application #20051977; Wal-Mart  
Application for Insurance and Industrial Bank Charter

Dear Mr. Carter:

I am writing to oppose the application of Wal-Mart Stores, Inc., for Federal deposit insurance coverage for an ILC charter in Utah. I am a community banker and believe strongly that allowing Wal-Mart to own a bank charter, and potentially open branches in its network of stores, would do irreparable harm to my community and my institution, and pose a severe systemic risk to our nation's economy.

We are aware that Wal-Mart has stated that it intends to operate a limited ILC charter in Utah. I don't believe this. Their assurances, that the operation will remain narrow, ring hollow in the context of the company's history and corporate philosophy. This is Wal-Mart's fourth attempt to get into the banking business. Wal-Mart's CEO admits that he wants to expand the company and provide financial services to its customers. We believe that Wal-Mart would soon amend its business plan to allow it to offer a full array of banking services. This must not be allowed to happen.

Wal-Mart has a long history of destabilizing communities by undercutting prices of local merchants and driving them out of business. That is not a theory, it is a fact. For example, when Wal-Mart entered Iowa, 50% of clothing stores, 30% of hardware stores, 42% of variety stores, 26% of department stores, and 25% of building materials stores were driven out of business. Were Iowa consumers well served by eliminating Wal-Mart's competitors and denying consumer choice? I think not.

Wal-Mart did not open stores in those communities to be civic partners with local merchants; they opened stores to drive local merchants out

